

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER
OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF
NEVADA HERETOFORE APPROPRIATED**

Date of filing in State Engineer's Office AUG 22 2006

Returned to applicant for correction _____

Corrected application filed _____

Map filed MAY 08 2001 under 66526

The applicant **North Valley Holdings, LLC** hereby makes application for permission to change the **Place and Manner of Use** of a portion of water heretofore appropriated under **Claim 706 of the Truckee River Decree**, said Decree entered by the District Court of the United States for Nevada in that certain action entitled, "**The United States of America Plaintiff vs. Orr Water Ditch Company, et al., Defendants**", in Equity Docket A-3.

1. The source of water is **Steamboat Creek and Tributaries**
2. The amount of water to be changed **2.93 acre-feet; along with a pro-rata share of the diversion rate.**
3. The water to be used for **In-stream Flow**
4. The water heretofore permitted for as **Decreed.**
5. The water is to be diverted at the following point **As Decreed – Candler Ditch from the East bank, NW¼ SE¼, Section 33, T18N, R20E, MDB&M, Per the Truckee River Decree and Maps.**
6. The existing permitted point of diversion is located within **Unchanged**
7. Proposed place of use **See Exhibit A**
8. Existing place of use **0.65 acres in the NW¼ of the NW¼ Section 23, T18N, R20E, MDB&M, being shown as Parcel Number 016-370-21 on Map TR-012**
9. Use will be from **January 1 to December 31** of each year.
10. Use was permitted from **As Decreed to As Decreed** of each year.
11. Description of proposed works **Water will be diverted through existing stream channel and Truckee River.**
12. Estimated cost of works **Dependent upon Permit Terms**
13. Estimated time required to construct works **Dependent upon Permit Terms.**
14. Estimated time required to complete the application of water to beneficial use **10 years.**
15. Remarks: **Water will be diverted within the existing Steamboat Creek Channel to provide instream flows between the point of diversion and the Vista Gauge on the Truckee River. Upon passing the Vista Gauge, the water will be considered return flow and be available for downstream users. Refer to map filed under Permit 64286 and sheet 4 of map filed under Application 66526 for proposed place of use.**

By **s/Tamara Mahe**
Tamara Mahe
500 Damonte Ranch Pkwy. #1056
Reno, NV 89521

Compared sg/sc lb gkl

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit to change the place of use and manner of use of a portion of the waters of Steamboat Creek and Tributaries as heretofore granted under Claim 706, Truckee River Final Decree, is issued subject to the terms and conditions imposed in said decree and with the understanding that no other rights on the source will be affected by the change proposed herein. A suitable measuring device must be installed and accurate measurements of water placed to beneficial use must be kept.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Measuring devices shall be designed and a monitoring plan shall be submitted to and approved by the State Engineer prior to filing the proof of completion of work. No return flow credit water for the subdivisions will be approved from this permit until data supporting the use have been approved by this office.

This permit is issued subject to the continuing jurisdiction and regulation by the Federal Water Master and the State Engineer.

By issuance of this permit, the supplemental storage rights described under Truckee River Decree Claims 660 and 669 can no longer be used at the existing place of use.

The amount of water to be changed shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.0160 cubic feet per second, but not to exceed 2.93 acre-feet as decreed.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

June 14, 2009

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

June 14, 2012

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, Tracy Taylor, P.E.,

State Engineer of Nevada, have hereunto set

my hand and the seal of my office,

this 14th day of June, A.D. 2007

Tracy Taylor, P.E.
State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed NA

Certificate No. _____ Issued _____

EXHIBIT "A"

7. Proposed Place of Use - Steamboat Creek

Within T.19N., R.20E.,
M.D.B. & M.

SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 11
SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 11

SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 12
SE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 12

NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 13
NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 13
NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 13

SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 14
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 14
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 14
SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 14
NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 14
NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 14
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 14

SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 15

SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 22
SE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 22
NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 22
NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 22
SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 22
SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 22
NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 22
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 22

NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 23

NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 27

SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 28
NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 28
SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 28
NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 28

NE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33

SE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 34
NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 34

Within T.18N., R.20E.,
M.D.B. & M.

NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3
NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 3
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 3
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 3

NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 10
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 10
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 10
SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 10

NW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 15
SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 15
NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 15

NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 16
SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 16
SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 16

NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 21
SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 21
NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 21
SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 21

NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 28
NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 28
SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 28
NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 28
SW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 28

NW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33
SW $\frac{1}{4}$ NE $\frac{1}{4}$, Section 33
NW $\frac{1}{4}$ SE $\frac{1}{4}$, Section 33

Refer to maps filed under Permit 64286 and also to map filed under Application 68526 (Sheet 4) for proposed place of use.

RECORDED
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STATE ENGINEERS OFFICE